MAT. WIT. ARRAIGNED: 9-19-06 AS

UNITED STATES DISTRICT COURT)
UNITED STATES OF AMERICA)

vs.

LOURDES VARGAS-ISLAS
MAT. WIT.

AUSA Bond Approval: SDH

APPEARANCE BOND
FOR CASE NUMBER 06 MG 8715

FILED
OCT 2006
CLERK, U.S. DISTRICT COURT
SOUTHERN DISTRICT OF CALIFORNIA
BY DEPUTY

I, the undersigned ~~defendant~~ MAT. WIT., and we, the sureties, jointly and severally acknowledge that we and our personal representatives, jointly and severally are bound to pay the United States of America the sum of $50,000.00, and there has been deposited in the Registry of the Court the sum of $ -0- in cash, or the amount of the bond is secured by Deed of Trust on 6864 O' F St Cathedral City, CA (describe other security)

The conditions of this bond are that the ~~defendant~~ MAT WIT is to appear as ordered by the United States District Court for the Southern District of California at San Diego, and at such other places as the ~~defendant~~ MAT WIT may be required to appear, in accordance with any and all orders and directions relating to the ~~defendant's~~ MAT WIT'S appearance in the above-entitled matter as may be given or issued by a Federal Judge or by the United States District Court to which the ~~defendant~~ MAT WIT may be removed or the cause transferred; that the ~~defendant~~ MAT WIT is not to depart the State of California, or the jurisdiction of any other United States District Court to which the ~~defendant~~ MAT WIT may be removed or the cause transferred after he has appeared in such other district pursuant to the terms of this bond, except in accordance with such orders or warrants as may be issued by a Federal Judge or the United States District Court for the Southern District of California or the United States District Court for such other district; that the ~~defendant~~ MAT WIT is to abide any judgment entered in such matter by surrendering himself to serve any sentence imposed and obeying any order or direction in connection with such judgment as the court imposing it may prescribe. Further, the conditions of pretrial release set forth in the order filed in this matter and a part of the record therein are further conditions of this bond.

If the ~~defendant~~ MAT WIT appears as ordered and otherwise obeys and performs the foregoing conditions of this bond, then this bond is to be void, but if the ~~defendant~~ MAT WIT fails to obey or perform any of these conditions, payment of the amount of this bond shall be due forthwith. Forfeiture of this bond for any breach of its conditions may be declared by any United States District Court having cognizance of the above-entitled matter at the time of such breach and if the bond is forfeited and if the forfeiture is not set aside or remitted, judgment may be entered upon motion in such United States District Court against each debtor jointly and severally for the amount above stated, together with interest and costs, and execution may be issued and payment secured as provided by the Federal Rules of Criminal Procedure and by other laws of the United States.

It is agreed and understood that this is a continuing bond (including any proceeding on appeal or review) which shall continue in full force and effect until such time as the undersigned are duly exonerated by court order.

This appearance bond fully incorporates by this reference each surety addendum attached hereto for those Sureties to this bond.

This bond signed on Oct 7, 2006, at San Diego, CA

~~Defendant~~ MAT WIT's Signature: Lourdes V. Vargas Islas

~~Surety's~~ MAT WIT'S Signature: Lourdes Vargas Islas

Surety's Signature: Guadalupe Gutierrez

Signature of Witness of Surety Signature: [signature]

Signed and acknowledged before me, the witness, on Oct 7, 2006

Approved: [signature], Federal Judge

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ADVICE OF PENALTIES AND SANCTIONS

Violation of any of the foregoing conditions of release may result in the immediate issuance of a warrant for the defendant's arrest, a revocation of release, an order of detention, as provided in 18 U.S.C. § 3148, and a prosecution for contempt as provided in 18 U.S.C. § 401 which could result in a possible term of imprisonment and/or a fine.

The commission of any offense while on pretrial release may result in an additional sentence upon conviction for such offense to a term of imprisonment of not less than two years nor more than ten years, if the offense is a felony; or a term of imprisonment of not less than ninety days nor more than one year, if the offense is a misdemeanor. This sentence shall be consecutive to any other sentence and must be imposed in addition to the sentence received for the offense itself.

18 U.S.C. § 1503 makes it a criminal offense punishable by up to five years in jail and a $250,000 fine to intimidate or attempt to intimidate a witness, juror or officer of the court; 18 U.S.C. § 1510 makes it a criminal offense punishable by up to five years in jail and a $250,000 fine to obstruct a criminal investigation; 18 U.S.C. § 1512 makes it a criminal offense punishable by up to ten years in prison and a $250,000 fine to tamper with a witness, victim or informant; and 18 U.S.C. § 1513 makes it a criminal offense punishable by up to ten years in jail and a $250,000 fine to retaliate against a witness, victim or informant, or threaten or attempt to do so.

It is a criminal offense under 18 U.S.C. § 3146, if after having been released, the ~~defendant~~ MAT WIT knowingly fails to appear as required by the conditions of release, or to surrender for the service of sentence pursuant to a court order. If the defendant fails to appear or surrender and the defendant was released in connection with a charge of, or while awaiting sentence, surrender for the service of a sentence, or appeal or certiorari after conviction for:

(1) an offense punishable by death, life imprisonment, or imprisonment for a term of fifteen years or more, the defendant shall be fined not more than $250,000 or imprisoned for not more than ten years, or both;

(2) an offense punishable by imprisonment for a term of five years or more, but less than fifteen years, the defendant shall be fined not more than $250,000 or imprisoned for not more than five years, or both;

(3) any other felony, the ~~defendant~~ MAT WIT shall be fined not more than $250,000 or imprisoned not more than two years or both;

(4) a misdemeanor, the ~~defendant~~ MAT WIT shall be fined not more than $100,000 or imprisoned not more than one year, or both.

A term of imprisonment imposed for failure to appear or surrender shall be consecutive to the sentence of imprisonment for another offense. In addition, a failure to appear may result in the forfeiture of any bail posted.

ACKNOWLEDGMENT OF ~~DEFENDANT~~ MAT WIT

I acknowledge that I am the ~~defendant~~ MAT WIT in this case and that I am aware of the conditions of release. I promise to obey all conditions of release, to appear as directed, and to surrender for service of any sentence imposed. I am aware of the penalties and sanctions set forth above.

Date: 10-7-06

Lourdes Vargas Islas

Signature of ~~Defendant~~ MAT WIT

CASE NAME: United States v LOURDES VARGAS-ISLAS MAT WIT CASE NO. 06 MG 8715

BAIL INFORMATION SHEET

MAT WIT ~~Defendant~~ Information:

Name: LOURDES VARGAS-ISLAS

Date of Birth: 12-28-75 S.S.#:

Immigration status: undocumented "A" Number:

Home address: CALZADA FLORES MAGON #79 Mexicali, BC, Mex Home phone:

Employer's name:

Employer's address:

Length of employment: Work phone:

Name(s), address(es), and phone number(s) of person(s) with whom MAT WIT ~~defendant~~ will live during pendency of case. Guadalupe Gutierrez 760 321-2137 68640 'F' St Cathedral City, CA 92234

Name(s) address(es), and phone number(s) of person(s) residing in United States who will know how to contact MAT WIT ~~defendant~~; aside from sureties on this bond. YOLANDA CASTORENA 760 202 6935 68392 Kings Rd #3 Cathedral City, CA 92234

MAT WIT ~~Defense~~ Attorney Information:

Name: Al Smithson Address: 830 23rd St SAN DIEGO, CA 92102 Phone: 619 234-8729

AUSA SJOH (initials)

CASE NAME: United States v Lourdes Vargas-Islas MATWIT CASE NO. 06MG8715

SURETY ADDENDUM TO APPEARANCE BOND (2 pages)
(Use separate addendum for each surety)

ATTACH PHOTOCOPIES OF TWO PIECES OF IDENTIFICATION, INCLUDING AT LEAST ONE PICTURE I.D. FOR EACH SURETY

Surety's Name: Guadalupe Gutierrez

Date of Birth: 6-11-46 S.S.# 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

Immigration Status: Legal Perm Res. "A" Number A92 557 961

Home address: 68640 'F' St Cathedral City, CA 92234

Home Phone: 760 321-2137

Surety's relationship to ~~defendant~~ MATWIT: AUNT

EMPLOYMENT AND SALARY INFORMATION:

Employer's name: Retired on Social Security

Employer's address:

Length of employment: Work phone:

Monthly salary (gross): $ 700 -

ADDITIONAL INCOME INFORMATION: (complete if applicable)

Source of additional income: Rental Income

Amount of additional income: $ 800

REAL PROPERTY OWNED: (if more than one piece of property is owned please use additional sheet)

Address: 68640 'F' St., Cathedral City, CA 92234

Value of Property: $ 285,000 - Equity in property: $ 235,000

Holder(s) of trust deed(s): Temple-Inland Mortgage Co

Are payments/taxes current? Yes

Is proof of surety's title to property attached? Yes Appraisal? Yes

AUSA SWH **(initials)** **SURETY** GG **(initials)**

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CASE NAME: United States v ____________ CASE NO. ____________

SURETY ADDENDUM TO APPEARANCE BOND (2 pages)
(Use separate addendum for each surety)

ATTACH PHOTOCOPIES OF TWO PIECES OF IDENTIFICATION, INCLUDING AT LEAST ONE PICTURE I.D. FOR EACH SURETY

Surety's Name: Guadalupe Gutierrez

Date of Birth: 6-11-46 S.S.# 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

Immigration Status: Legal Perm Res. "A" Number" A092557961

Home address: 68640 'F' St., Cathedral City, CA 92234

Home Phone: 760 321-2137

Surety's relationship to ~~defendant~~ MATWIT

EMPLOYMENT AND SALARY INFORMATION:

Employer's name: Retired on Social Security

Employer's address: ____________

Length of employment: ____________ Work phone: ____________

Monthly salary (gross): $ 700 -

ADDITIONAL INCOME INFORMATION: (complete if applicable)

Source of additional income: Two Renters in Home

Amount of additional income: $ 800

REAL PROPERTY OWNED: (if more than one piece of property is owned please use additional sheet)

Address: 68640 'F' St., Cathedral City, CA 92234

Value of Property: $ 297,000 Equity in property: $ 250,000

Holder(s) of trust deed(s): Countrywide Mortgage, Van Nuys, CA

Are payments/taxes current? Yes

Is proof of surety's title to property attached? ____________ Appraisal? ____________

AUSA SWH **(initials)** **SURETY** ______ **(initials)**

AFFIDAVIT BY OWNER OF CASH SECURITY (complete if applicable)

I, ______________________________, on oath say that the $ __________ cash deposited as security on the foregoing bond is owned by me and is to be returned to me at the address listed on page one of this surety addendum upon exoneration of this bond.

I hereby subject said funds to the provisions of Local Court Rule 67.1 and consent and agree that in case of default or contumacy on the part of the principal, the Court may, upon notice to me of not less than ten days, proceed summarily and render judgment against said cash security in accordance with my obligation herein and award execution thereon.

JUSTIFICATION OF SURETY AND SURETY AGREEMENT

I, Guadalupe Gutierrez, the undersigned surety, declare under penalty of perjury, that my net worth is the sum of $ 250,000 and that I have read and understand this two page Surety Addendum in its entirety. I further understand that by signing the appearance bond and this surety addendum to the appearance bond, I will be responsible for the ~~defendant~~ MATWIT's appearances in court and the defendant's compliance with all conditions of release as ordered by the court. If the ~~defendant~~ MATWIT does not appear or comply with the conditions of release, I will be required to pay the amount of the bond, any security I have posted may be taken by the Government to satisfy the bond, and a judgment may be entered against me. If judgment is entered against me a Judgment Lien will be filed with the County Recorder in all appropriate counties for the full amount of the bond.

I declare under the penalty of perjury that all information contained in this bond and on this Surety Addendum is true, accurate, and complete. (Penalty for false statements: $250,000 fine and/or five years imprisonment, 18 U.S.C. § 1001.)

Signature of surety: *[signature]* Date: 10-7-06

Printed name and address of witness to surety's signature: Al Smithson
830 23rd St, San Diego, CA 92102

Signature of witness: *[signature]* Date: 10-7-06

AUSA ____ (initials) **~~DEFENSE~~ MATWIT ATTORNEY AS (initials)**

PERMANENT RESIDENT CARD

NAME GUTIERREZ, GUADALUPE

INS A# 092-557-961

Birthdate	Category	Sex
06/11/46	S26	F

Country of Birth
Mexico

CARD EXPIRES 02/19/12

Resident Since 12/01/90

C1USA0925579617WAC0203453794<<
4606112F1202199MEX<<<<<<<<<<<3
GUTIERREZ<<GUADALUPE<<<<<<<<<<

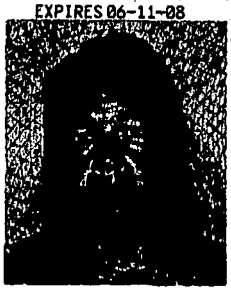
DMV CALIFORNIA DMV

DRIVER LICENSE

CLASS: C

EXPIRES 06-11-08

A4587849



GUADALUPE GUTIERREZ
68640 F STREET
CATHEDRAL CTY CA 92234

SEX:F HAIR:BRN EYES:BRN
HT:5-04 WT:190 DOB:06-11-46

Gpe Gutierrez

04/10/2003 659 07 FD/08

State of California

Benefits Identification Card

ID No. 6240965633

GUADALUPE GUTIERREZ

F 06 11 1946 Issue Date 02 05 02

MEDICARE HEALTH INSURANCE

1-800-MEDICARE (1-800-633-4227)

NAME OF BENEFICIARY
GUADALUPE GUTIERREZ

MEDICARE CLAIM NUMBER: 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-A
SEX: FEMALE

IS ENTITLED TO	EFFECTIVE DATE
HOSPITAL (PART A)	09-01-2002
MEDICAL (PART B)	09-01-2002

SIGN HERE ➡ ____________________

SOCIAL SECURITY

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

THIS NUMBER HAS BEEN ESTABLISHED FOR

GUADALUPE GUTIERREZ

Guadalupe Gutierrez

SIGNATURE

DOC # 2006-0748149
10/11/2006

Conformed Copy
Has not been compared with original
Larry W Ward
County of Riverside
Assessor, County Clerk & Recorder

RECORDING REQUESTED BY

GUADALUPE GUTIERREZ

AND WHEN RECORDED MAIL TO

UNITED STATES DISTRICT COURT
880 Front Street, Suite 4290
San Diego, CA 92101-8900

27

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M	A	L	465	426	PCOR	NCOR	SMF	NCHG	EXAM

C

DEED OF TRUST
WITH ASSIGNMENT OF RENTS AS ADDITIONAL SECURITY
SECURING A PERSONAL SURETY BOND TO THE UNITED STATES OF AMERICA

This DEED OF TRUST, made 10/7/2006, between

GUADALUPE GUTIERREZ

herein called TRUSTOR,
whose address is
68640 "F" Street
Cathedral City, CA 92234

CHICAGO TITLE COMPANY, a California Corporation, 925 B Street, San Diego, CA 92101 herein called TRUSTEE, and the

UNITED STATES OF AMERICA, herein called BENEFICIARY,

Trustor irrevocably grants, transfers and assigns to Trustee in Trust, with Power of Sale that property in County, California, described as:

APN NO 687-234-003-05

That portion of Lot 227 of Cathedral City, in the City of Cathedral City, County of Riverside, State of California, as more fully described in Exhibit "A" attached hereto and incprporated herein;

Together with the rents, issues and profits thereof, subject, however, to the right, power and authority hereinafter given to and conferred upon Beneficiary to collect and apply such rents, issues and profits.

For the Purpose of Securing (1) Performance of each agreement of Trustor incorporated by reference or contained herein; (3) Payment of the indebtedness evidenced by PERSONAL SURETY BOND of even date herewith, and any extension or renewal thereof, in the principal sum of $--50,000.00-- executed by Trustor in favor of the United States of America.

To protect the security of this Deed of Trust, and with respect to the property above described, Trustor expressly makes each and all of the agreements, and adopts and agrees to perform and be bound by each and all of the terms and provisions set forth in subdivision A of that certain Fictitious Deed of Trust referenced herein, and it is mutually agreed that all of the provisions set forth in subdivision B of that certain Fictitious Deed of Trust recorded in the book and page of Official Records in the office of the county recorder of the county where said property is located, noted below opposite the name of such county, namely:

COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE	COUNTY	BOOK	PAGE
Alameda	1288	556	Kings	858	713	Placer	1028	379	Sierra	38	187
Alpine	3	130-31	Lake	437	110	Plumes	166	1307	Siskiyou	506	762
Amador	133	438	Lassen	192	367	Riverside	3778	347	Solano	1287	621
Butte	1330	513	Los Angeles	T-3878	874	Sacramento	71-10-26	615	Sonoma	2067	427
Calveras	185	338	Madera	911	136	San Benito	300	405	Stanislaus	1970	56
Colusa	323	391	Marin	1849	122	San Bernardino	6213	768	Sutter	655	585
Contra Costa	4684	1	Mariposa	90	453	San Francisco	A-804	596	Tehama	457	183
Del Norte	101	549	Mendocino	667	99	San Joaquin	2855	283	Trinity	108	595
El Dorado	704	635	Merced	1660	753	San Luis Obispo	1311	137	Tulare	2530	108
Fresno	5052	623	Modoc	191	93	San Mateo	4778	175	Tuolumne	177	160
Glenn	469	76	Mono	69	302	Santa Barbara	2065	881	Ventura	2607	237
Humboldt	801	83	Monterey	357	239	Santa Clara	6626	664	Yolo	769	16
Imperial	1189	701	Napa	704	742	Santa Cruz	1638	607	Yuba	398	693
Inyo	165	672	Nevada	363	94	Shasta	800	633			
Kern	3756	690	Orange	7182	18	San Diego Series 5 Book 1964, Page	149774				

shall inure to and bind the parties hereto, with respect to the property above described. Said agreements, terms and provisions contained in said subdivisions A and B, (identical in all counties) are preprinted on the following pages hereof and are by the within reference thereto, incorporated herein and made a part of this Deed of Trust for all purposes as fully as if set forth at length herein, and Beneficiary may charge for a statement regarding the obligation secured hereby, provided the charge thereof does not exceed the maximum allowed by laws.

The undersigned Trustor, requests that a copy of any notice of default and any notice of sale hereunder be mailed to him at his address hereinbefore set forth.

Guadalupe Gutierrez

GUADALUPE GUTIERREZ

____

3701432

EXHIBIT "A"

That portion of Lot 227 of Cathedral City, in the City of Cathedral City, County of Riverside, State of California, as per map recorded in Book 13, page(s) 24, 25 and 26, of Maps, in the office of the County Recorder of said County, described as follows:

Beginning at the Southwest corner of said lot;
thence Northerly along the Westerly line, 55.00 feet;
thence Easterly parallel with the Southerly line, 96.00 feet;
thence Northerly, parallel with the Westerly line, 11.00 feet;
thence Easterly, parallel with the Southerly line, 44.00 feet, to the Westerly line of that certain parcel conveyed to M.H. Blakeley and Westre H. Blakeley, husband and wife, by deed recorded June 17, 1949 as Instrument No. 2386, Official Records;
thence Southerly along the Westerly line of said parcel conveyed to M.H. Blakeley and Westra H. Blakeley, his wife, 66.00 feet, to the Southerly line of said lot;
thence Westerly, along the Southerly line of said lot, 140.00 feet to the Point of Beginning.

CALIFORNIA ALL-PURPOSE ACKNOWLEDGMENT

State of California

County of Riverside } ss.

On Oct. 10, 2006 before me, ANTONIO VIRUETE, NOTARY PUBLIC
Date — Name and Title of Officer (e.g., "Jane Doe, Notary Public")

personally appeared GUADALUPE GUTIERREZ,
Name(s) of Signer(s)

☐ personally known to me
☐ proved to me on the basis of satisfactory evidence

ANTONIO VIRUETE
Commission # 1527181
Notary Public - California
Riverside County
My Comm. Expires Nov 16, 2008

to be the person~~(s)~~ whose name~~(s)~~ is/~~are~~ subscribed to the within instrument and acknowledged to me that ~~he~~/she/~~they~~ executed the same in ~~his~~/her/~~their~~ authorized capacity~~(ies)~~, and that by ~~his~~/her/~~their~~ signature~~(s)~~ on the instrument the person~~(s)~~, or the entity upon behalf of which the person~~(s)~~ acted, executed the instrument.

WITNESS my hand and official seal.

[signature]
Signature of Notary Public

OPTIONAL

Though the information below is not required by law, it may prove valuable to persons relying on the document and could prevent fraudulent removal and reattachment of this form to another document.

Description of Attached Document

Title or Type of Document: Deed OF Trust

Document Date: 10/07/2006 Number of Pages: 3

Signer(s) Other Than Named Above: None

Capacity(ies) Claimed by Signer

Signer's Name: ______

☐ Individual
☐ Corporate Officer — Title(s): ______
☐ Partner — ☐ Limited ☐ General
☐ Attorney-in-Fact
☐ Trustee
☐ Guardian or Conservator
☐ Other: ______

Signer Is Representing: N/A.

RIGHT THUMBPRINT OF SIGNER
Top of thumb here

© 1999 National Notary Association • 9350 De Soto Ave., P.O. Box 2402 • Chatsworth, CA 91313-2402 • www.nationalnotary.org Prod. No. 5907 Reorder: Call Toll-Free 1-800-876-6827

PIRT

SCHEDULE A

Attention:
AL SMITHSON

Loan Ref:
GUTIERREZ, GUADALUPE

DATE OF POLICY	COUNTY	BORROWER	POLICY NO.
10/03/06 7:30 AM	RIVERSIDE	GUTIERREZ, GUADALUPE	24603832 -

Amount of Insurance: Actual loss not to exceed $200,000.00 Premium: $100.00

NAME OF INSURED
U.S. DISTRICT COURT

The assurances referred to on the face page are:

A. The latest available equalized assessment roll in the office of the Assessor of said County discloses the following with the respect to the land referred to herein:

STREET ADDRESS 68640 F STREET, CATHEDRAL CITY, CALIFORNIA 92234			
TAX PARCEL NO. 687-234-003-5			ASSESSED VALUATION LAND $ 17,178
1ST INSTALLMENT $ 1,154.61	STATUS PAID	TAX YEAR 2005/2006	IMPROVEMENTS $ 43,527
2ND INSTALLMENT $ 1,154.61	STATUS PAID	TOTAL TAXES $ 2,309.22	EXEMPTION $ NONE

B. The last document(s) in the chain of title to said land as disclosed by the Official Records of the Recorder of said County purporting to convey the fee title to said land:

CONVEYED TO
GUADALUPE GUTIERREZ, A SINGLE WOMAN

C. Subject to any conflicts in boundary lines, or discrepancies that would be revealed by a correct survey, the land referred to in this policy is that land located in the County shown above, in the State of CALIFORNIA, and is described in the above referenced instrument as follows:

SEE ATTACHED DESCRIPTION

D. That an examination of the chain of title to said land as disclosed by such Official Records reveals no homestead executed by the party(ies) named in paragraph B above, nor mortgages or liens purporting to affect said land, other than those set out below under Exceptions; provided, however, that no liability is assumed with respect to the identity of any party named or referred to in this Schedule, nor with respect to the validity, legal effect or priority of any matter shown as an Exception.

EXCEPTIONS

1. DEED OF TRUST IN THE AMOUNT OF $52,965.00

TRUSTOR: GUADALUPE GUTIERREZ
TRUSTEE: FIRST AMERICAN TITLE INSURANCE COMPANY
BENEFICIARY: TEMPLE-INLAND MORTGAGE CORPORATION
RECORDED: AUGUST 7, 1997 AS INSTRUMENT NO. 97-281288

* * * END OF REPORT * * *

TLB

PLEASE SEND DOCUMENTS FOR RECORDING TO:
CHICAGO PIRT DIVISION
1003 E. Cooley Drive, Suite 109
Colton, CA 92324
Phone: (800) 767-7478
Fax: (800) 669-7478

DESCRIPTION

Order No. 24603832 -

THAT PORTION OF LOT 227 OF CATHEDRAL CITY, IN THE CITY OF CATHEDRAL CITY, COUNTY OF RIVERSIDE, STATE OF CALIFORNIA, AS PER MAP RECORDED IN BOOK 13, PAGE(S) 24, 25 AND 26, OF MAPS, IN THE OFFICE OF THE COUNTY RECORDER OF SAID COUNTY, DESCRIBED AS FOLLOWS:

BEGINNING AT THE SOUTHWEST CORNER OF SAID LOT; THENCE NORTHERLY ALONG THE WESTERLY LINE, 55.00 FEET; THENCE EASTERLY PARALLEL WITH THE SOUTHERLY LINE, 96.00 FEET; THENCE NORTHERLY, PARALLEL WITH THE WESTERLY LINE, 11.00 FEET; THENCE EASTERLY, PARALLEL WITH THE SOUTHERLY LINE, 44.00 FEET, TO THE WESTERLY LINE OF THAT CERTAIN PARCEL CONVEYED TO M.H. BLAKELEY AND WESTRE H. BLAKELEY, HUSBAND AND WIFE, BY DEED RECORDED JUNE 17, 1949 AS INSTRUMENT NO. 2386, OFFICIAL RECORDS; THENCE SOUTHERLY ALONG THE WESTERLY LINE OF SAID PARCEL CONVEYED TO M.H. BLAKELEY AND WESTRA H. BLAKELEY, HIS WIFE, 66.00 FEET, TO THE SOUTHERLY LINE OF SAID LOT; THENCE WESTERLY, ALONG THE SOUTHERLY LINE OF SAID LOT, 140.00 FEET TO THE POINT OF BEGINNING.

CHICAGO TITLE INSURANCE COMPANY

POLICY OF INSURANCE OF RECORD TITLE

CHICAGO TITLE INSURANCE COMPANY

SUBJECT TO THE CONDITIONS AND STIPULATIONS HEREOF, CHICAGO TITLE INSURANCE COMPANY, a Missouri corporation, herein called the Company, insures the insured, as of Date of Policy shown in Schedule A, against loss or damage, not exceeding the amount of insurance stated in Schedule A, sustained or incurred by said insured by reason of any incorrectness of the assurances set forth in Schedule A.

CHICAGO TITLE INSURANCE COMPANY

By:

RANDY QUIRK
President

Attest:

TODD JOHNSON
Secretary

CHICAGO TITLE INSURANCE COMPANY CORPORATE SEAL

CONDITIONS AND STIPULATIONS

1. DEFINITION OF TERMS

The following terms when used in this policy mean:

(a) "insured": the insured name in Schedule A.

(b) "insured claimant": an insured claiming loss or damage hereunder.

(c) "loss or damage": the out of pocket loss suffered by the insured in reliance upon the assurances of this policy.

(d) "knowledge": actual knowledge, not constructive knowledge or notice which may be imputed to an insured by reason of any public records.

(e) "land": the land described, specifically or by reference in Schedule A, and improvements affixed thereto which by law constitute real property.

(f) "mortgage": mortgage, deed of trust, trust deed, or other security instrument.

2. NOTICE OF CLAIM TO BE GIVEN BY AN INSURED CLAIMANT

The insured shall notify the Company promptly in writing in case knowledge shall come to an insured hereunder of any claim for which the Company may be liable by virtue of this policy. If such prompt notice shall not be given to the Company, then as to such insured all liability of the Company shall cease and terminate in regard to the matter or matters for which prompt notice is required: provided, however, that failure to notify shall in no case prejudice the rights of any insured under this policy unless the Company shall be prejudiced by such failure and then only to the extent of such prejudice.

3. PROOF OF LOSS OR DAMAGE--LIMITATION OF ACTION

In addition to the notice required under Paragraph 2 of these Conditions and Stipulations, a proof of loss or damage, signed and sworn to by the insured claimant shall be furnished to the Company within 90 days after the insured claimant shall ascertain or determine the facts giving rise to such loss or damage. Such proof of loss or damage shall describe the matter insured against by this policy which constitutes the basis of loss or damage, and, when appropriate, state the basis of calculating the amount of such loss or damage.

Should such proof of loss or damage fail to state the facts sufficient to enable the Company to determine its liability hereunder, insured claimant, at the written request of the Company, shall furnish such additional information as may be reasonably be necessary to make such determination.

No right of action shall accrue to insured claimant until 30 days after such proof of loss or damage shall have been furnished.

Failure to furnish such proof of loss or damage shall terminate any liability of the Company under this policy as to such loss or damage.

4. OPTIONS TO PAY OR OTHERWISE SETTLE CLAIMS

The Company shall have the option to pay or otherwise settle for or in the name of an insured claimant any claim insured against, or to terminate all liability and obligations of the Company hereunder by paying or tendering payment of the amount of loss or damage or the amount of insurance under this policy.

5. DETERMINATION AND PAYMENT OF LOSS

(a) The liability of the Company under this policy shall in no case exceed the least of:

(i) the actual loss of the insured claimant because of reliance on the assurances herein set forth; or

(ii) the amount of insurance stated in Schedule A.

(b) When the amount of loss or damage has been definitely fixed in accordance with the conditions of the policy, the loss or damage shall be payable within 30 days thereafter.

6. LIMITATION OF LIABILITY

No claim shall arise or be maintainable under this policy (a) if the Company, after having received notice of an alleged lien or mortgage insured against hereunder, by litigation or otherwise, removes such lien or mortgage within a reasonable time after receipt of such notice; (b) in the event of litigation, until there has been a final determination by a court of competent jurisdiction, and disposition of all appeals therefrom, adverse to the assurances of this policy; or (c) for the liability voluntarily admitted or assumed by an insured without prior written consent of the Company.

7. REDUCTION OF INSURANCE; TERMINATION OF LIABILITY

All payments under this policy, shall reduce the amount of the insurance pro tanto.

8. SUBROGATION UPON PAYMENT OR SETTLEMENT

Whenever the Company shall have paid or settled a claim under this policy, all right of subrogation shall vest in the Company unaffected by any act of the insured claimant. The Company shall be subrogated to and be entitled to all rights and remedies which such insured claimant would have had against any person or property in respect to such claim had this policy not been issued, and the Company is hereby authorized and empowered to sue, compromise or settle in its name or in the name of the insured to the full extent of the loss sustained by the Company. If requested, the insured shall execute any and all documents to evidence the within subrogation. If the payment does not cover the loss of such insured claimant, the Company shall be subrogated to such rights and remedies in the proportion which said payment bears to the amount of said loss. If loss should result from any act of such insured claimant, such act shall not void this policy, but the Company, in that event, shall as to such insured claimant be required to pay only that part of any losses insured against hereunder which shall exceed the amount, if any, lost to the Company by reason of the impairment of the right of subrogation.

9. LIABILITY LIMITED TO THIS POLICY

This instrument together with all endorsements and other instruments, if any, attached hereto by the Company is the entire policy and contract between the insured and the Company.

Any claim of loss or damage, whether or not based on negligence, or any action asserting such claim, shall be restricted to the provisions and conditions and stipulations of this policy.

No amendment of or endorsement to this policy can be made except by writing endorsed hereon or attached hereto signed by either the President, a Vice President, the Secretary, an Assistant Secretary, or validating officer or authorized signatory of the Company.

No payment shall be made without producing this policy for endorsement of such payment unless the policy be lost or destroyed, in which case proof of such loss or destruction shall be furnished to the satisfaction of the Company.

10. NOTICES, WHERE SENT

All notices required to be given the Company and any statement in writing required to be furnished the Company shall be addressed to it at the office which issued this policy or to:

CHICAGO TITLE INSURANCE COMPANY
CLAIMS DEPARTMENT
171 North Clark
Chicago, IL 60601-3294

Summary Appraisal Report

Uniform Residential Appraisal Report

File # 33555

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

SUBJECT

Property Address 68640 F STREET | City CATHEDRAL CITY | State CA | Zip Code 92234
Borrower GUTIERREZ | Owner of Public Record GUTIERREZ | County RIVERSIDE
Legal Description PORTION LOT 227, CATHEDRAL CITY TRACT, BOOK 13, PAGES 24-26
Assessor's Parcel # 687-234-003-005 | Tax Year 2005 | R.E. Taxes $ 2,309.22
Neighborhood Name CATHEDRAL CITY | Map Reference 617-E1 | Census Tract 450.00
Occupant ☒ Owner ☐ Tenant ☐ Vacant | Special Assessments $ NONE | ☐ PUD HOA $ NONE ☐ per year ☐ per month
Property Rights Appraised ☒ Fee Simple ☐ Leasehold ☐ Other (describe) N/A
Assignment Type ☐ Purchase Transaction ☒ Refinance Transaction ☐ Other (describe) N/A
Lender/Client PRIORITY ONE HOME LOANS | Address 14742 NEWPORT AVENUE, SUITE 205, TUSTIN, CA 92780
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? ☐ Yes ☒ No
Report data source(s) used, offering price(s), and date(s). WIN2DATA; PUBLIC RECORDS; MULTIPLE LISTING SERVICE.

CONTRACT

I ☐ did ☒ did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed. N/A.

Contract Price $ N/A | Date of Contract N/A | Is the property seller the owner of public record? ☒ Yes ☐ No Data Source(s) WIN 2-DATA
Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? ☐ Yes ☒ No
If Yes, report the total dollar amount and describe the items to be paid. N/A

NEIGHBORHOOD

Note: Race and the racial composition of the neighborhood are not appraisal factors.

Neighborhood Characteristics				One-Unit Housing Trends				One-Unit Housing			Present Land Use %	
Location	☐ Urban	☒ Suburban	☐ Rural	Property Values	☒ Increasing	☐ Stable	☐ Declining	PRICE		AGE	One-Unit	70 %
Built-Up	☒ Over 75%	☐ 25-75%	☐ Under 25%	Demand/Supply	☒ Shortage	☐ In Balance	☐ Over Supply	$ (000)		(yrs)	2-4 Unit	10 %
Growth	☐ Rapid	☒ Stable	☐ Slow	Marketing Time	☒ Under 3 mths	☐ 3-6 mths	☐ Over 6 mths	175	Low	3	Multi-Family	10 %
								425	High	75	Commercial	10 %
								285	Pred.	40	Other	%

Neighborhood Boundaries GERALD FORD DRIVE TO THE NORTH, FRANK SINATRA DRIVE TO THE SOUTH, DA VALLE DRIVE TO THE EAST AND CHANNEL DRIVE TO THE WEST.
Neighborhood Description SUBJECT IS LOCATED IN AN AREA OF AVERAGE QUALITY ONE-STORY SINGLE FAMILY TRACT HOMES EXHIBITING AVERAGE MAINTENANCE. SCHOOLS REQUIRE TRANSPORTATION. SHOPPING LOCATED 0.25 MILES NORTH. EMPLOYMENT CENTERS LOCATED WITHIN THE CITY OF CATHEDRAL CITY. STABLE NEIGHBORHOOD.
Market Conditions (including support for the above conclusions) VALUES APPEAR TO BE INCREASING FOR SINGLE FAMILY HOMES IN THIS NEIGHBORHOOD IN THIS PRICE RANGE. THIS IS EVIDENCED BY MULTIPLE LISTING SERVICE AND RECENT PUBLICATIONS BY REAL ESTATE SECTION OF THE LOS ANGELES TIMES NEWSPAPER ARTICLES.

SITE

Dimensions 55.173(avg)+/- x 150+/- | Area 8,276+/- Sq.Ft. | Shape RECTANGULAR | View NONE
Specific Zoning Classification R1 | Zoning Description SINGLE FAMILY RESIDENTIAL
Zoning Compliance ☒ Legal ☐ Legal Nonconforming (Grandfathered Use) ☐ No Zoning ☐ Illegal (describe)
Is the highest and best use of subject property as improved (or as proposed per plans and specifications) the present use? ☒ Yes ☐ No If No, describe N/A

Utilities	Public	Other (describe)		Public	Other (describe)	Off-site Improvements - Type	Public	Private
Electricity	☒	☐	Water	☒	☐	Street ASPHALT	☒	☐
Gas	☒	☐	Sanitary Sewer	☒	☐	Alley NONE	☐	☐

FEMA Special Flood Hazard Area ☐ Yes ☒ No | FEMA Flood Zone X500 | FEMA Map # 060704-0010C | FEMA Map Date 07/07/1999
Are the utilities and off-site improvements typical for the market area? ☒ Yes ☐ No If No, describe
Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? ☐ Yes ☒ No If Yes, describe
SITE IS TYPICAL FOR NEIGHBORHOOD. ZONING AND LOT SIZE PER PUBLIC RECORDS. NO ADVERSE EASEMENTS OR ENCROACHMENTS NOTED. FLOOD DATA NOT GUARANTEED. RECOMMEND FLOOD CERTIFICATION.

IMPROVEMENTS

General Description		Foundation		Exterior Description	materials/condition	Interior	materials/condition
Units ☒ One ☐ One with Accessory Unit		☐ Concrete Slab	☒ Crawl Space	Foundation Walls	CONCRETE/AVG.	Floors	CPT/VINYL/AVG.
# of Stories	ONE	☐ Full Basement	☐ Partial Basement	Exterior Walls	STUCCO/GOOD	Walls	DRYWALL/AVG.
Type ☒ Det. ☐ Att. ☐ S-Det./End Unit		Basement Area	NONE sq.ft.	Roof Surface	COMP.SHGL/AVG.	Trim/Finish	WOOD/AVERAGE
☒ Existing ☐ Proposed ☐ Under Const.		Basement Finish	N/A %	Gutters & Downspouts	YES; METAL/AVG.	Bath Floor	TILE/AVERAGE
Design (Style)	CONV.	☐ Outside Entry/Exit	☐ Sump Pump	Window Type	AL.SLIDING/NEW	Bath Wainscot	TILE/AVERAGE
Year Built	1942	Evidence of	☐ Infestation	Storm Sash/Insulated	NONE	Car Storage	☒ None
Effective Age (Yrs)	40-45	☐ Dampness	☐ Settlement	Screens	YES/NEW	☐ Driveway	# of Cars -0-
Attic	☐ None	Heating ☒ FWA ☐ HWBB ☐ Radiant		Amenities	☐ Woodstove(s) #	Driveway Surface	CONCRETE
☐ Drop Stair	☐ Stairs	☐ Other	Fuel	☐ Fireplace(s) #	☒ Fence YES	☐ Garage	# of Cars
☐ Floor	☒ Scuttle	Cooling ☐ Central Air Conditioning		☒ Patio/Deck PAT	☒ Porch FRONT	☐ Carport	# of Cars
☐ Finished	☐ Heated	☒ Individual WAL	☒ Other EVAP.	☐ Pool NONE	☐ Other	☐ Att. ☐ Det.	☐ Built-in

Appliances ☐ Refrigerator ☒ Range/Oven ☒ Dishwasher ☐ Disposal ☐ Microwave ☐ Washer/Dryer ☒ Other (describe)
Finished area above grade contains: 6 Rooms 3 Bedrooms 2 Bath(s) 1,325 Square Feet of Gross Living Area Above Grade
Additional features (special energy efficient items, etc.). CONCRETE BLOCK WALL AND CHAIN LINK FENCING; PORCH; PATIO; NEW INT. PAINT; CUSTOM BLINDS.
Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). AVERAGE QUALITY AND CONDITION. NO REPAIRS NEEDED. NO FUNCTIONAL OR EXTERNAL OBSOLESCENCE NOTED.
NOTE: PORTION OF SINGLES CURLING UP DUE TO WINDS ON PATIO ONLY AND DO NOT ADVERSELY AFFECT VALUE ESTIMATE. SHINGLES ON MAIN HOUSE APPEAR AVERAGE AND DO NOT POSE A HEALTH OR SAFETY HAZARD. AS OF THE DATE OF THE INSPECTION THE SUBJECT REAR YARD OF THE SUBJECT PROPERTY SHOWED NO APPARENT HEALTH OR SAFETY ISSUES.
Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? ☐ Yes ☒ No If Yes, describe
N/A

Does the property generally conform to the neighborhood (functional utility, style, condition, use, construction, etc.)? ☒ Yes ☐ No If No, describe
N/A

Uniform Residential Appraisal Report

File # 33555

SALES COMPARISON APPROACH

There are 5 comparable properties currently offered for sale in the subject neighborhood ranging in price from $ 199,000 to $ 499,000 .

There are 35 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from $ 175,000 to $ 425,000 .

FEATURE	SUBJECT	COMPARABLE SALE # 1		COMPARABLE SALE # 2		COMPARABLE SALE # 3	
Address	68640 F STREET CATHEDRAL CITY, CA	37297 CATHEDRAL CANYON APN:687-105-013		38705 PARADISE WAY APN:686-202-009		68463 TERRACE ROAD APN:686-241-004	
Proximity to Subject		0.20 miles		0.85 miles		0.29 miles	
Sale Price	$ N/A		$ 273,500		$ 320,000		$ 330,000
Sale Price/Gross Liv. Area	$ sq.ft.	$ 284.90 sq.ft.		$ 266.00 sq.ft.		$ 206.25 sq.ft.	
Data Source(s)							
Verification Source(s)		PUBLIC RECORDS/MLS		PUBLIC RECORDS/MLS		PUBLIC REC./MLS/INSPECT.	
VALUE ADJUSTMENTS	DESCRIPTION	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment	DESCRIPTION	+(-) $ Adjustment
Sales or Financing Concessions		$245,700 TD DOC#234187		$304,000 TD DOC#324460		$264,000 TD DOC#207849	
Date of Sale/Time		3/31/06 COE		05/04/06 COE		3/23/06 COE	
Location	AVERAGE	AVERAGE		AVERAGE		AVERAGE	
Leasehold/Fee Simple	FEE SIMPLE	FEE SIMPLE		FEE SIMPLE		FEE SIMPLE	
Site	8,276+/-	7,405+/-	+2,500	9,147+/-	-2,500	11,761+/-	-10,500
View	NONE	NONE		NONE		NONE	
Design (Style)	CONV.	CONV.		CONV.		CONV.	
Quality of Construction	AVERAGE	AVERAGE		AVERAGE		AVERAGE	
Actual Age	64	52		36	-14,000	40	-12,000
Condition	AVERAGE	AVERAGE		AVERAGE		INFERIOR	+7,500
Above Grade	Total / Bdrms. / Baths	Total / Bdrms. / Baths	+3,500	Total / Bdrms. / Baths		Total / Bdrms. / Baths	
Room Count	6 / 3 / 2	5 / 2 / 1	+5,000	6 / 2 / 2	+5,000	6 / 3 / 2	
Gross Living Area	1,325 sq.ft.	960 sq.ft.	+12,500	1,203 sq.ft.	+4,500	1,600 sq.ft.	-9,600
Basement & Finished	NONE	NONE		NONE		NONE	
Rooms Below Grade	NONE	NONE		NONE		NONE	
Functional Utility	AVERAGE	AVERAGE		AVERAGE		AVERAGE	
Heating/Cooling	FAU/EVAP.	FAU/CAC	-5,000	FAU/CAC	-5,000	FAU/CAC	-5,000
Energy Efficient Items	INSULATION	INSULATION		INSULATION		INSULATION	
Garage/Carport	NO COV.PARK	GARAGE (2)	-5,000	CARPORT (1)	-1,500	GARAGE (2)	-5,000
Porch/Patio/Deck	PORCH/PATIO	PORCH/PATIO		PORCH/PATIO		PORCH/PATIO	
	NO FIREPLCE	NO FIREPLCE		NO FIREPLCE		NO FIREPLCE	
	NO POOL	NO POOL		POOL	-12,500	POOL	-12,500
	KIT:BUILT-INS	KIT:BUILT-INS		KIT:BUILT-INS		KIT:BUILT-INS	
Net Adjustment (Total)		☒ + ☐ -	$ 13,500	☐ + ☒ -	$ 26,000	☐ + ☒ -	$ 47,000
Adjusted Sale Price of Comparables		Net Adj. 4.9 % Gross Adj. 12.2 %	$ 287,000	Net Adj. 8.1 % Gross Adj. 14.1 %	$ 294,000	Net Adj. 14.2 % Gross Adj. 18.8 %	$ 283,000

I ☒ did ☐ did not research the sale or transfer history of the subject property and comparable sales. If not, explain

My research ☐ did ☒ did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Data Source(s) WIN 2 DATA ON-LINE SERVICE, TITLE COMPANY AND PUBLIC RECORDS.

My research ☐ did ☒ did not reveal any prior sales or transfers of the comparable sales for the year prior to the date of sale of the comparable sale.

Data Source(s) WIN 2 DATA ON-LINE SERVICE, TITLE COMPANY AND PUBLIC RECORDS.

Report the results of the research and analysis of the prior sale or transfer history of the subject property and comparable sales (report additional prior sales on page 3).

ITEM	SUBJECT	COMPARABLE SALE #1	COMPARABLE SALE #2	COMPARABLE SALE #3
Date of Prior Sale/Transfer	NONE	NONE	NONE	NONE
Price of Prior Sale/Transfer				
Data Source(s)	WIN 2 DATA/PUB. REC.	WIN 2 DATA/PUB. REC.	WIN 2 DATA/PUB. REC.	WIN 2 DATA/PUB. REC.
Effective Date of Data Source(s)	CURRENT:7/2006	CURRENT:7/2006	CURRENT:7/2006	CURRENT:7/2006

Analysis of prior sale or transfer history of the subject property and comparable sales NO SALE OR TRANSFER OF THE SUBJECT NOR COMPARABLES FOUND WITHIN THE LAST THREE YEARS PER PUBLIC RECORDS.

Summary of Sales Comparison Approach ALL SIMILAR IN QUALITY, APPEAL AND LOCATION. ALL ADJUSTED FOR BUILDING SIZE, LOT SIZE AND CAC. NO.'S 1 AND 2 ADJUSTED FOR BED COUNT. NO.'S 1 AND 3 ADJUSTED FOR GARAGE. NO.'S 2 AND 3 ADJUSTED FOR EFFECTIVE AGE (NEWER BUILT HOMES). NO.1 ADJUSTED FOR BATH COUNT. NO.3 CONDITION ADJUSTMENT RECOGNIZES NEEDED PAINT AND FLOOR COVER @ SALE DATE. NO.2 ADJUSTED FOR CARPORT.
CONCLUSIONS: NO.1 MOST SIMILAR IN AGE. NO.2 MOST SIMILAR IN BUILDING SIZE. NO.3 SIMILAR 3-BEDROOM FLOOR PLAN. SALES GIVEN EQUAL CONSIDERATION.

Indicated Value by Sales Comparison Approach $ 285,000

RECONCILIATION

Indicated Value by: Sales Comparison Approach $ 285,000 **Cost Approach (if developed) $** 285,800 **Income Approach (if developed) $**

VALUE OPINION ASSUMES NEW CONVENTIONAL FINANCING AND CASH EQUIVALENCY. THIS APPRAISAL IS INTENDED FOR USE IN A MORTGAGE FINANCE TRANSACTION AND IS INTENDED TO BE USED BY THE NAMED CLIENT AND/OR THEIR ASSIGNEE. IT IS NOT INTENDED FOR USE BY ANY OTHER PARTY. MARKET DATA MOST WEIGHT. COST APPROACH SUPPORTIVE. INCOME APPROACH N/A

This appraisal is made ☒ "as is", ☐ subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, ☐ subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or ☐ subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair:

Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is $ 285,000 , as of JULY 25, 2006 , which is the date of inspection and the effective date of this appraisal.

Uniform Residential Appraisal Report

File # 33555

ADDITIONAL COMMENTS

THE APPRAISER IS NOT A HOME OR ENVIRONMENTAL INSPECTOR. THE APPRAISER PROVIDES AN OPINION OF VALUE. THE APPRAISAL DOES NOT GUARANTEE THAT THE PROPERTY IS FREE OF DEFECTS OR ENVIRONMENTAL PROBLEMS. THE APPRAISER PERFORMS AN INSPECTION OF VISIBLE AND ACCESSIBLE AREAS ONLY. MOLD MAY BE PRESENT IN AREAS THE APPRAISER CANNOT SEE. A PROFESSIONAL HOME INSPECTION OR ENVIRONMENTAL INSPECTION IS RECOMMENDED.

COST APPROACH

Provide adequate information for the lender/client to replicate the below cost figures and calculations.

Support for the opinion of site value (summary of comparable land sales or other methods for estimating site value) SITE VALUE PER EXTRACTION STUDY. LAND TO TOTAL PROPERTY VALUE RATIO IS TYPICAL FOR THIS TYPE PROPERTY IN THIS AREA. RECOGNIZES HOUSE AGE, SIZE AND CONDITION AND PROVIDES REASONABLE ALLOWANCES FOR LAND.

ESTIMATED ☐ REPRODUCTION OR ☒ REPLACEMENT COST NEW	OPINION OF SITE VALUE =$ 220,000
Source of cost data MARSHALL AND SWIFT COST HANDBOOK.	DWELLING 1,325 Sq.Ft. @ $ 78.00 =$ 103,350
Quality rating from cost service AVG. Effective date of cost data 9/2005	NONE Sq.Ft. @ $ =$
Comments on Cost Approach (gross living area calculations, depreciation, etc.)	PORCH/PATIO =$ 10,000
LAND TO TOTAL PROPERTY VALUE	Garage/Carport Sq.Ft. @ $ =$
RATIO IS TYPICAL FOR THIS TYPE PROPERTY IN	Total Estimate of Cost-New =$ 113,350
THIS AREA. RECOGNIZES HOUSE AGE, SIZE AND	Less Physical / Functional / External
CONDITION AND PROVIDES REASONABLE ALLOWANCES	Depreciation 60,450 =$(60,450)
FOR LAND. SUBJECT'S REMAINING ECONOMIC LIFE IS 35 YEARS.	Depreciated Cost of Improvements =$ 52,900
PHYSICAL DEPRECIATION CALCULATED BY AGE/LIFE METHOD:	"As-is" Value of Site Improvements =$ 13,000
40 YRS/75 YRS = 53%. NO REPAIRS NEEDED.	
Estimated Remaining Economic Life (HUD and VA only) 35 Years	INDICATED VALUE BY COST APPROACH =$ 285,900

INCOME

Estimated Monthly Market Rent $ N/A X Gross Rent Multiplier N/A = $ Indicated Value by Income Approach

Summary of Income Approach (including support for market rent and GRM) N/A

PUD INFORMATION

Is the developer/builder in control of the Homeowners' Association (HOA)? ☐ Yes ☒ No Unit type(s) ☐ Detached ☐ Attached

Provide the following information for PUDs ONLY if the developer/builder is in control of the HOA and the subject property is an attached dwelling unit.

Legal Name of Project N/A

Total number of phases N/A Total number of units N/A Total number of units sold N/A

Total number of units rented N/A Total number of units for sale N/A Data source(s) N/A

Was the project created by the conversion of existing building(s) into a PUD? ☐ Yes ☐ No If Yes, date of conversion. N/A

Does the project contain any multi-dwelling units? ☐ Yes ☐ No Data Source N/A

Are the units, common elements, and recreation facilities complete? ☐ Yes ☐ No If No, describe the status of completion. N/A

Are the common elements leased to or by the Homeowners' Association? ☐ Yes ☐ No If Yes, describe the rental terms and options. N/A

Describe common elements and recreational facilities. N/A

Uniform Residential Appraisal Report

This report form is designed to report an appraisal of a one-unit property or a one-unit property with an accessory unit; including a unit in a planned unit development (PUD). This report form is not designed to report an appraisal of a manufactured home or a unit in a condominium or cooperative project.

This appraisal report is subject to the following scope of work, intended use, intended user, definition of market value, statement of assumptions and limiting conditions, and certifications. Modifications, additions, or deletions to the intended use, intended user, definition of market value, or assumptions and limiting conditions are not permitted. The appraiser may expand the scope of work to include any additional research or analysis necessary based on the complexity of this appraisal assignment. Modifications or deletions to the certifications are also not permitted. However, additional certifications that do not constitute material alterations to this appraisal report, such as those required by law or those related to the appraiser's continuing education or membership in an appraisal organization, are permitted.

SCOPE OF WORK: The scope of work for this appraisal is defined by the complexity of this appraisal assignment and the reporting requirements of this appraisal report form, including the following definition of market value, statement of assumptions and limiting conditions, and certifications. The appraiser must, at a minimum: (1) perform a ~~complete visual~~ inspection of the interior and exterior areas of the subject property, (2) inspect the neighborhood, (3) inspect ~~each of the~~ comparable sales from at least the street, (4) research, verify, and analyze data from reliable public and/or private sources, and (5) report his or her analysis, opinions, and conclusions in this appraisal report.

INTENDED USE: The intended use of this appraisal report is for the lender/client to evaluate the property that is the subject of this appraisal for a mortgage finance transaction.

INTENDED USER: The intended user of this appraisal report is the lender/client.

DEFINITION OF MARKET VALUE: The most probable price which a property should bring in a competitive and open market under all conditions requisite to a fair sale, the buyer and seller, each acting prudently, knowledgeably and assuming the price is not affected by undue stimulus. Implicit in this definition is the consummation of a sale as of a specified date and the passing of title from seller to buyer under conditions whereby: (1) buyer and seller are typically motivated; (2) both parties are well informed or well advised, and each acting in what he or she considers his or her own best interest; (3) a reasonable time is allowed for exposure in the open market; (4) payment is made in terms of cash in U. S. dollars or in terms of financial arrangements comparable thereto; and (5) the price represents the normal consideration for the property sold unaffected by special or creative financing or sales concessions* granted by anyone associated with the sale.

*Adjustments to the comparables must be made for special or creative financing or sales concessions. No adjustments are necessary for those costs which are normally paid by sellers as a result of tradition or law in a market area; these costs are readily identifiable since the seller pays these costs in virtually all sales transactions. Special or creative financing adjustments can be made to the comparable property by comparisons to financing terms offered by a third party institutional lender that is not already involved in the property or transaction. Any adjustment should not be calculated on a mechanical dollar for dollar cost of the financing or concession but the dollar amount of any adjustment should approximate the market's reaction to the financing or concessions based on the appraiser's judgment.

STATEMENT OF ASSUMPTIONS AND LIMITING CONDITIONS: The appraiser's certification in this report is subject to the following assumptions and limiting conditions:

1. The appraiser will not be responsible for matters of a legal nature that affect either the property being appraised or the title to it, except for information that he or she became aware of during the research involved in performing this appraisal. The appraiser assumes that the title is good and marketable and will not render any opinions about the title.

2. The appraiser has provided a sketch in this appraisal report to show the approximate dimensions of the improvements. The sketch is included only to assist the reader in visualizing the property and understanding the appraiser's determination of its size.

3. The appraiser has examined the available flood maps that are provided by the Federal Emergency Management Agency (or other data sources) and has noted in this appraisal report whether any portion of the subject site is located in an identified Special Flood Hazard Area. Because the appraiser is not a surveyor, he or she makes no guarantees, express or implied, regarding this determination.

4. The appraiser will not give testimony or appear in court because he or she made an appraisal of the property in question, unless specific arrangements to do so have been made beforehand, or as otherwise required by law.

5. The appraiser has noted in this appraisal report any adverse conditions (such as needed repairs, deterioration, the presence of hazardous wastes, toxic substances, etc.) observed during the inspection of the subject property or that he or she became aware of during the research involved in performing the appraisal. Unless otherwise stated in this appraisal report, the appraiser has no knowledge of any hidden or unapparent physical deficiencies or adverse conditions of the property (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) that would make the property less valuable, and has assumed that there are no such conditions and makes no guarantees or warranties, express or implied. The appraiser will not be responsible for any such conditions that do exist or for any engineering or testing that might be required to discover whether such conditions exist. Because the appraiser is not an expert in the field of environmental hazards, this appraisal report must not be considered as an environmental assessment of the property.

6. The appraiser has based his or her appraisal report and valuation conclusion for an appraisal that is subject to satisfactory completion, repairs, or alterations on the assumption that the completion, repairs, or alterations of the subject property will be performed in a professional manner.

Uniform Residential Appraisal Report

APPRAISER'S CERTIFICATION: The Appraiser certifies and agrees that:

1. I have, at a minimum, developed and reported this appraisal in accordance with the scope of work requirements stated in this appraisal report.

2. I performed a complete visual inspection of the interior and exterior areas of the subject property. I reported the condition of the improvements in factual, specific terms. I identified and reported the physical deficiencies that could affect the livability, soundness, or structural integrity of the property.

3. I performed this appraisal in accordance with the requirements of the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

4. I developed my opinion of the market value of the real property that is the subject of this report based on the sales comparison approach to value. I have adequate comparable market data to develop a reliable sales comparison approach for this appraisal assignment. I further certify that I considered the cost and income approaches to value but did not develop them, unless otherwise indicated in this report.

5. I researched, verified, analyzed, and reported on any current agreement for sale for the subject property, any offering for sale of the subject property in the twelve months prior to the effective date of this appraisal, and the prior sales of the subject property for a minimum of three years prior to the effective date of this appraisal, unless otherwise indicated in this report.

6. I researched, verified, analyzed, and reported on the prior sales of the comparable sales for a minimum of one year prior to the date of sale of the comparable sale, unless otherwise indicated in this report.

7. I selected and used comparable sales that are locationally, physically, and functionally the most similar to the subject property.

8. I have not used comparable sales that were the result of combining a land sale with the contract purchase price of a home that has been built or will be built on the land.

9. I have reported adjustments to the comparable sales that reflect the market's reaction to the differences between the subject property and the comparable sales.

10. I verified, from a disinterested source, all information in this report that was provided by parties who have a financial interest in the sale or financing of the subject property.

11. I have knowledge and experience in appraising this type of property in this market area.

12. I am aware of, and have access to, the necessary and appropriate public and private data sources, such as multiple listing services, tax assessment records, public land records and other such data sources for the area in which the property is located.

13. I obtained the information, estimates, and opinions furnished by other parties and expressed in this appraisal report from reliable sources that I believe to be true and correct.

14. I have taken into consideration the factors that have an impact on value with respect to the subject neighborhood, subject property, and the proximity of the subject property to adverse influences in the development of my opinion of market value. I have noted in this appraisal report any adverse conditions (such as, but not limited to, needed repairs, deterioration, the presence of hazardous wastes, toxic substances, adverse environmental conditions, etc.) observed during the inspection of the subject property or that I became aware of during the research involved in performing this appraisal. I have considered these adverse conditions in my analysis of the property value, and have reported on the effect of the conditions on the value and marketability of the subject property.

15. I have not knowingly withheld any significant information from this appraisal report and, to the best of my knowledge, all statements and information in this appraisal report are true and correct.

16. I stated in this appraisal report my own personal, unbiased, and professional analysis, opinions, and conclusions, which are subject only to the assumptions and limiting conditions in this appraisal report.

17. I have no present or prospective interest in the property that is the subject of this report, and I have no present or prospective personal interest or bias with respect to the participants in the transaction. I did not base, either partially or completely, my analysis and/or opinion of market value in this appraisal report on the race, color, religion, sex, age, marital status, handicap, familial status, or national origin of either the prospective owners or occupants of the subject property or of the present owners or occupants of the properties in the vicinity of the subject property or on any other basis prohibited by law.

18. My employment and/or compensation for performing this appraisal or any future or anticipated appraisals was not conditioned on any agreement or understanding, written or otherwise, that I would report (or present analysis supporting) a predetermined specific value, a predetermined minimum value, a range or direction in value, a value that favors the cause of any party, or the attainment of a specific result or occurrence of a specific subsequent event (such as approval of a pending mortgage loan application).

19. I personally prepared all conclusions and opinions about the real estate that were set forth in this appraisal report. If I relied on significant real property appraisal assistance from any individual or individuals in the performance of this appraisal or the preparation of this appraisal report, I have named such individual(s) and disclosed the specific tasks performed in this appraisal report. I certify that any individual so named is qualified to perform the tasks. I have not authorized anyone to make a change to any item in this appraisal report; therefore, any change made to this appraisal is unauthorized and I will take no responsibility for it.

20. I identified the lender/client in this appraisal report who is the individual, organization, or agent for the organization that ordered and will receive this appraisal report.

Uniform Residential Appraisal Report

21. The lender/client may disclose or distribute this appraisal report to: the borrower; another lender at the request of the borrower; the mortgagee or its successors and assigns; mortgage insurers; government sponsored enterprises; other secondary market participants; data collection or reporting services; professional appraisal organizations; any department, agency, or instrumentality of the United States; and any state, the District of Columbia, or other jurisdictions; without having to obtain the appraiser's or supervisory appraiser's (if applicable) consent. Such consent must be obtained before this appraisal report may be disclosed or distributed to any other party (including, but not limited to, the public through advertising, public relations, news, sales, or other media).

22. I am aware that any disclosure or distribution of this appraisal report by me or the lender/client may be subject to certain laws and regulations. Further, I am also subject to the provisions of the Uniform Standards of Professional Appraisal Practice that pertain to disclosure or distribution by me.

23. The borrower, another lender at the request of the borrower, the mortgagee or its successors and assigns, mortgage insurers, government sponsored enterprises, and other secondary market participants may rely on this appraisal report as part of any mortgage finance transaction that involves any one or more of these parties.

24. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

25. Any intentional or negligent misrepresentation(s) contained in this appraisal report may result in civil liability and/or criminal penalties including, but not limited to, fine or imprisonment or both under the provisions of Title 18, United States Code, Section 1001, et seq., or similar state laws.

SUPERVISORY APPRAISER'S CERTIFICATION: The Supervisory Appraiser certifies and agrees that:

1. I directly supervised the appraiser for this appraisal assignment, have read the appraisal report, and agree with the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

2. I accept full responsibility for the contents of this appraisal report including, but not limited to, the appraiser's analysis, opinions, statements, conclusions, and the appraiser's certification.

3. The appraiser identified in this appraisal report is either a sub-contractor or an employee of the supervisory appraiser (or the appraisal firm), is qualified to perform this appraisal, and is acceptable to perform this appraisal under the applicable state law.

4. This appraisal report complies with the Uniform Standards of Professional Appraisal Practice that were adopted and promulgated by the Appraisal Standards Board of The Appraisal Foundation and that were in place at the time this appraisal report was prepared.

5. If this appraisal report was transmitted as an "electronic record" containing my "electronic signature," as those terms are defined in applicable federal and/or state laws (excluding audio and video recordings), or a facsimile transmission of this appraisal report containing a copy or representation of my signature, the appraisal report shall be as effective, enforceable and valid as if a paper version of this appraisal report were delivered containing my original hand written signature.

APPRAISER JEFFERY A. KLEIN

Signature [signature]
Name JEFFERY A. KLEIN
Company Name JEFFERY A. KLEIN
Company Address 750 TERRADO PLAZA, SUITE 212
COVINA, CA 91723
Telephone Number (818) 608-9752
Email Address JEFFKLEINAPR@AOL.COM
Date of Signature and Report JULY 25, 2006
Effective Date of Appraisal JULY 25, 2006
State Certification # ____
or State License # AL020398
or Other (describe) ____ State # ____
State CA
Expiration Date of Certification or License 6/19/2008

ADDRESS OF PROPERTY APPRAISED
68640 F STREET
CATHEDRAL CITY, CA 92234

APPRAISED VALUE OF SUBJECT PROPERTY $ 285,000

LENDER/CLIENT
Name JOSEPH MINERO
Company Name PRIORITY ONE HOME LOANS
Company Address 14742 NEWPORT AVENUE, SUITE 205, TUSTIN, CA 92780
Email Address JOSEPHM@HELPQUESTMORTGAGE.COM

SUPERVISORY APPRAISER (ONLY IF REQUIRED)

Signature ____
Name ____
Company Name ____
Company Address ____
Telephone Number ____
Email Address ____
Date of Signature ____
State Certification # ____
or State License # ____
State ____
Expiration Date of Certification or License ____

SUBJECT PROPERTY

- ☐ Did not inspect subject property
- ☐ Did inspect exterior of subject property from street
  Date of Inspection ____
- ☐ Did inspect interior and exterior of subject property
  Date of Inspection ____

COMPARABLE SALES

- ☐ Did not inspect exterior of comparable sales from street
- ☐ Did inspect exterior of comparable sales from street
  Date of Inspection ____